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Arizona PIRG

Education Fund

Arizona Corporation Commission
1200 W. Washington St.
Phoenix, AZ 85007

June 2, 2022

Dear Chairwoman Marquez Peterson and Commissioners,

RE: Docket Number L-00000B-21-0393-00197

On behalf of the Arizona PIRG Education Fund, I am writing to urge you to deny SRP's request for a rehearing on their application to add 16 new gas units at their Coolidge plant. On April 7, 2022, I submitted a letter to the docket on behalf of the Arizona PIRG Education Fund urging the Commission to deny SRP's massive gas expansion proposal and send SRP to the drawing board.¹

The Arizona PIRG Education Fund was pleased when the Commission denied SRP's CEC and as a result protected SRP ratepayers from a nearly \$1 billion non-competitive expense. In particular, we appreciated the Chairwoman's statement referencing that SRP did not provide the necessary documents in which to make an informed decision --- an important point that was also noted in Judge Rodda's Sample Form of Order 3.²

Since SRP's proposal was first publicly presented, the Arizona PIRG Education Fund has consistently requested that SRP respond to a set of basic questions.³ Unfortunately, SRP has consistently failed to provide meaningful answers including the estimated monthly bill impacts of their nearly \$1 billion proposal.

For the most part, instead of providing data helpful to policymakers, stakeholders, and their ratepayers, SRP appears to be skirting key issues and digging their heels into a proposal that the Commission has already rejected for good cause. SRP tosses around the term's "reliability" and "higher ratepayer costs" without providing options for reliability or evidence of cost comparisons. While SRP claims that none of the bids as part of their ongoing all-source RFP can match their gas expansion proposal, they have failed to adequately request and consider various scenarios that in whole or in part are likely to impact air quality, water quantity, and/or ratepayer bills less adversely.

¹ <https://docket.images.azcc.gov/0000206476.pdf?i=1654143296862>

² <https://docket.images.azcc.gov/0000206381.pdf?i=1654143296862>, page 39, lines 21-25

³ <https://docket.images.azcc.gov/0000205840.pdf?i=1654143296862>

Arizona Corporation Commission

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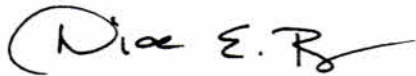
[Signature]

Lastly, it is worth noting that in rushing their proposal to their Board and at subsequent times, SRP stated that they needed an affirmative Commission decision in March 2022 in order to proceed. Yet, prior to even filing their application with the Commission, SRP had already committed nearly \$1 billion in ratepayer money for their proposal. Now, SRP is stating their willingness to reduce their proposed number of new gas units from 16 to 12 at the Coolidge plant, noting that they would have to “find location(s) for the other four units, as all sixteen are needed to serve SRP’s customers.”⁴

The Commission made the right decision to deny SRP’s CEC. In requesting a rehearing, SRP has once again failed to provide the comprehensive information, including details related to a potential reduction of gas units in Coolidge, required to make an informed decision.

Please once again send SRP the message that they need to provide the Commission with comprehensive information. Please once again reject SRP’s proposal by denying their request for a rehearing.

Sincerely,

A handwritten signature in black ink, appearing to read "Diane E. Brown", with a stylized flourish at the end.

Diane E. Brown
Executive Director

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⁴ <https://docket.images.azcc.gov/0000206818.pdf?i=1654143296862>, page 3, lines 15-20.